University Department of Commerce &Business Management

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A synopsis for Ph.D Registration

On the Topic

Financial Inclusion and Inclusive Growth of Rural Jharkhand – A Case study of Ranchi District

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TITLE – Financial Inclusion and Inclusive Growth of Rural Jharkhand- A Case study of Ranchi District

1.INTRODUCTION

India is a country of villages. About 68.84% population of our country reside in 638,596 villages. This rural population of India has been facing absolute poverty. And lack of basic amenities from the very beginning of the society. At the time of independence farming was the main occupation of the people of rural area but gradually it was realized that farming was not a profitable occupation. There are so many reasons for it like the excessive population growth, rural urban migration, depleting underground water level, vagaries of nature, unsatisfactory outcome of hard work etc. On the other hand, the lack of the other sources of livelihood, is also responsible to enhance poverty in rural area.

Financial inclusion is described as how each in society can be offered banking and financial solutions and services without discrimination. It aims primarily to involve everyone in the community by providing them with the necessary financial services without looking at the income or savings of a person. Financial Inclusion focuses mainly on providing the economically disadvantaged sections of society with reliable financial solutions without unfair treatment. Without signs of inequality, it intends to provide business solutions. It is also committed to being transparent without any hidden transactions or costs while offering financial assistance [.1] Financial inclusion means everyone is involved in society and is judiciously engaged in business management. In India, many poor households have no access to the country's financial services. Banks and their functions are not known to them. Even though they are aware of banks, many poor have no access to banking services. They may not meet the minimum eligibility criteria set by banks and thus cannot secure the services of a bank. Banks have minimum income requirements, minimum credit score, age criteria, and minimum years of work experience. A bank will only provide an applicant with a deposit or loan if it meets those criteria. These society's economically disadvantaged people may also not have adequate documents to provide banks with for identity or income verification. Each bank has certain mandatory documents that must be furnished during applying for a loan or opening a bank account. Many of these persons do not know the importance of these documents. Only the middle and high classes of society procured formal types of credit for several years. In contrast, poor people got credit from the unorganized and informal sectors.[2]

Many low-income households in India do not have any access to financial services in their area. They are not aware of the bank services and their usage. Even if they are aware of banks, some of these poor people do not have the right to get assistance from the bank, and they feel cheated. Financial Inclusion aims to remove these barriers and provide the less fortunate sections of society with economically priced financial services to be financially independent without relying on charity or other means of obtaining funds that are not sustainable.

2.FINANCIAL INCLUSION

Financial inclusion means that individual and business have access to useful and affordable financial products and services that meet their needs- transaction, payments,savings, credit and insurance – delivered in a responsible and sustainable way.

The regulator takes excellent care to ensure the safety of savings of all depositors in the banking system. However, the financially excluded people, who are often also from the lower-income segments, continue to face very high risks to their savings. It is unacceptable that a service as essential as the safety of savings is denied to a citizen, regardless of the level of economic activity, income class, or any social or demographic categorization. We argue that a basic banking account should not be considered a luxury but a fundamental right of every citizen. This no-frills saving bank account is only a necessary but not a sufficient condition for the Financial Inclusion of the poor. Financial Inclusion, therefore, is the delivery of not only banking but also other financial services like insurance, pension, remittance, mutual funds, etc., delivered at affordable, though market driven costs. Opening a no-frills account is just the beginning of a continuous process of providing banking and financial services. KC Chakrabarty, deputy governor, RBI, said, "Nearly forty years after the nationalization of banks, 60% of the country's citizens do not have savings accounts, and nearly 90% do not get loans." The Committee on Financial Inclusion, headed by Dr. C. Rangarajan, Chairman of the Prime Minister's Economic Advisory Committee, recommended that each semi-urban/rural bank branch open roughly 250 bank accounts annually, which, if successful, would result in approximately 11.5 million accounts across the country. Once the first step of the safety of savings is achieved, the poor require access to schemes and products which allow their savings to grow at rates that provide them growth beyond mere inflation protection. Therefore, we can explain financial Inclusion as follows:[3]

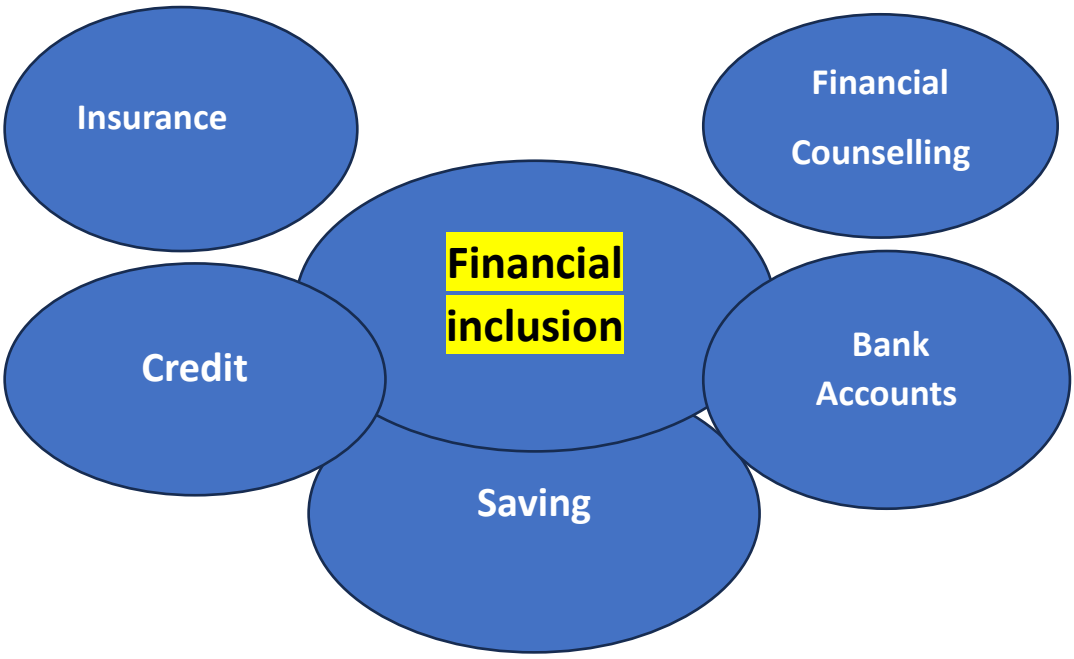

Figure 1 sources: Rangarajan committee Report financial inclusion and inclusive

2.DEFINATION OF FINANCIAL INCLUSION

2.1 Financial inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker section and low-income groups at an affordable cost (The committee on financial inclusion, Chairman: Dr. C Rangarajan).

2.2 Financial Inclusion, broadly defined, refers to universal access to a wide range of financial services at a reasonable cost. These include not only banking products but also other financial services such as insurance and equity products (The committee on financial sector Reforms, Chairman: Raghuram Ranjan).

INCLUSIVE GROWTH: ROLE OF FINANCIAL SECTOR

Banks and other financial services play an important role from supply side by providing access to basic financial services to the poor and disadvantage social group .Access to financial products to constrained by several factors which include : lack of awareness about the financial products , unaffordable products ,high transaction coasts, and products which are not convenient, inflexible ,not customized and of low quality .Apart from the supply side factors ,demand side factors ,such as lower income, lower asset holdings also have a significant bearing on inclusive growth. Owing to difficulties in accessing formal sources of credit, poor individuals and small and micro enterprises usually rely on their personal savings or internal sources to invest in health, education, housing and entrepreneurial activities to make use of growth opportunities. Financial inclusion promotes thrift and develops culture of saving. It also enables efficient payment mechanism. It is not possible to achieve financial stability and inclusive growth without financial inclusion.

3.FINANCIAL INCLUSION AND INCLUSIVE GROWTH

Finance minister Nirmala Sitharaman said financial inclusion is a major step towards inclusive growth which ensures the overall economic development of the marginalised section of the society. Inclusive growth means economic growth that creates employment opportunities and help in reducing poverty. It means having access to essentials services in health and education by the poor. It includes providing equality of opportunity, empowering people through education and skill development. It also encompasses a growth process that is environment friendly growth, aims for good governance and helps in creation of a gender sensitive society. Ass per OECD (Organisation for co-operation and development), inclusive growth is economic growth that is distributed fairly across society and creates opportunities for all. Financial inclusion is the process of ensuring access to financial services to vulnerable groups at affordable costs. Financial inclusion is necessary for inclusive growth as it leads to the culture of saving, which initiates a virtuous cycle of economic development.[4]

FACTORS THAT AFFECT THE FINANCIAL SERVICES:

Legal identity, limited literacy, level of income, terms and conditions for accessing finance, complicated procedures, psychological and cultural barrier, place of living (distance from financial institution), lack of awareness, non- suitable financial products.

REVIEW OF LITERATURE

1.A.Mukherjee and S.Chakraborty ,(2012)[5] analysed promotion of financial inclusion has been an important social and financial need across countries. In India, the primary responsibility of ensuring financial inclusion lies with the commercial banks subject to guidelines of the central bank (RBI). However, due to the huge size and diversity of population the commercial banks have been taking the assistance of various social and financial entities like co-operative banks, regional rural banks (RRBs), self-help groups (SHGs), joint liability groups, and other non-banking finance companies (NBFCs). The objective of the article is to critically examine and highlight the role and efficacy of the commercial banks doing business in the state of Jharkhand in connection with their responsibility towards promoting financial inclusion. The article also aims at examining the capacity and role of other institutions mentioned above for the purpose of promoting financial inclusion in the state.

2.Radhikha Dixit and Munmun Ghosh,(2013)[6] observed Inclusive growth attainment depends a great deal on equitable distribution of growth opportunities and benefits. And financial inclusion is one of the most crucial opportunities which need to be equitably distributed in the country in order to attain comprehensive growth. It needs to be understood by the state that in order to bring orderly growth, order needs to be developed with regard to inclusive finance. The percentage of financial inclusion in the different states of the country varies differently. For instance, Kerala, Maharashtra and Karnataka accounts for higher rate of financial inclusion but the states such as Gujarat, Manipur, Assam, Bihar, Uttar Pradesh, and Madhya Pradesh, etc stand poorly on the grounds of financial inclusion.

3.Purvi Shah and Medha Dubhashi, (2015)[7] observed Financial inclusion plays a major role in inclusive growth of the country. It is estimated that globally over 2.5 billion people are excluded from access to financial services of which one third is in India. The origins of the current approach to financial inclusion can be traced to the United Nations initiatives, which

broadly described the main goals of inclusive finance as access to a range of financial services including savings, credit, insurance, remittance and other banking / payment services to all 'bankable' households and enterprises at a reasonable cost. In India, financial inclusion first featured in 2005, when it was introduced by Dr. K.C. Chakrabarty, the Chairman of Indian Bank. Mangalam Village becomes the first village in India where all households were provided banking facilities.

4.Asli Demirguc and Kunt Doro,(2017)[8]This paper provides an overview of financial inclusion around the world and reviews the recent empirical evidence on how the use of financial products -- such as payments services, savings accounts, loans, and insurance -- can contribute to inclusive growth and economic development. This paper also discusses some of the challenges to achieving greater financial inclusion and directions for future research.

5.Josephs Olarewaju Afolabi,(2020)[9]observed the empirical investigation into financial inclusion and inclusive growth provides an interesting result. It shows that financial inclusion does have both short-run and long-run positive effect on inclusive growth in Nigeria. the finding shows high interest rate impede inclusive growth, but number of bank branches, level of liquidity in the economy, loans to rural dweller facilitate a more inclusive growth in the economy. This study therefore, recommends that more and improved financial services be made available at a reasonable cost to rural dwellers and the economy as a whole at a reasonably low interest rate so as to help them participate and contribute to national productivity. However, these financial services should be carefully monitored to make sure they are used productively as loan to private sector is revealed to affect inclusive growth negatively. This will help reduce inequality in the country and put the country in a path of inclusive growth.

6. Vijayalakshmi,(2019)[10]analysed the banking sector in India is making a concerted effort to increase the degree of financial inclusion in the system. Even the global trends have shown that in order to achieve inclusive development and growth, the expansion of financial services to all sections of society is of utmost important. As a whole financial inclusion in the rural as well as financially backward pockets of cities is a win- win opportunity for everyone involved- the banks/NBFC's intermediaries, and the left- out urban population.

7. DP Malik and Kundu ,(2021)[11]observed financial inclusion increased the income of rural household and has been successful in reducing the poverty level by 4 percent .PM-KISAN has helped those who are relatively more dependent on agriculture. It is critical that the policy recommendation are in accordance with inclusive development of the country.

8.Laghate ,Kavita, Chotailya,Meghna (2021)[12]observed financial inclusion growth are indispensable for the economic growth of a nation. Financial resources need to be distributed equitably to the unreached and poor section of the society who have limited access to banking facilities. Pradhan mantari Jan Dhan Yojna is a policy initiative of the Government of India in this direction.

9.Banna Banik,(2023)[13] observed banking services and financial credits can bolster household incomes, particularly in rural areas, while simultaneously mitigating income inequality. Additionally, policymakers and regulators should actively champion financial literacy programs targeting young people, students, and predominantly rural populations. These initiatives should focus on enhancing individuals' knowledge of banking products, services, and e-banking technologies. Such proactive measures will empower individuals to fully leverage the tangible benefits of FI initiatives, ultimately contributing to the realization of the SDGs. As with any research, this study has certain limitations, which pave the way for future investigations. Our study exclusively considered the growth of the total number of bank branches and ATMs as indicators of FI.

10. K. Kalyan Chakravarthy, Ch. Venkata Krishna Reddy, Manoj Kumar Mishra,(2024)[14]

Analysed Monetary incorporations has turned into a vital component of financial development, essentially adding to neediness easing and financial development seriously zeroing in on poor and canter part of society. It includes giving financial administrations to the whole populace, including both the advantaged and the burdened, under sensible agreements. It is a vital need for the country, fundamental for financial turn of events and cultural advancement. It helps limited the hole between the well off and poor people. At present, monetary foundations go about as crucial support points supporting advancement, financial development, and the general improvement of the economy. This study means to assess the effect of monetary incorporation on financial development north of a seven-year period from 2015 to 2022. Optional information was used and examined utilizing a various relapse model. The discoveries demonstrate a positive and critical effect of the quantity of bank offices and the credit store proportion on the nation's Gross domestic product, while the development in the quantity of ATMs showed an immaterial effect on India's Gross domestic product.

LITERATURE GAP:

Literature gaps related to financial inclusion and inclusive growth in rural area specifically within the Ranchi district of Jharkhand could include:

1.Localized Impact Assessment: Limited research examining the direct impact of financial inclusion initiatives on the socioeconomics indicators and inclusive growth metrics of rural communities within the Ranchi District.

2.Access Barriers: Investigation into the specific barriers and challenges faced by rural households and communities in Ranchi district in accessing formal financial services, such as banking infrastructure, digital literacy and cultural factors.

3. Local Stakeholder Perspectives: Scarcity of studies exploring the perspectives and experiences of local stakeholders, including rural residents, community leaders, regarding financial inclusion efforts and their contribution to inclusive growth in Ranchi rural areas.

4.Policy Implementation Dynamics: Understanding the dynamics of policy implementation and coordination among various governmental and non- governmental stakeholders in Ranchi district, including the alignment of national financial inclusion strategies with local priorities and needs.

5.Innovative Solutions: Exploration of innovative solutions and interventions tailored to the specific socioeconomics of rural communities in Ranchi district, aiming to enhance financial access, literacy, and inclusion.

6.Longitudinal studies: Lack of longitudinal studies tracking the progress and outcomes of financial inclusion interventions over time Ranchi Rural areas, including their sustainability, and long-term impact on inclusive growth.

Importance of Research Study

Jharkhand is among the 28th states of India, established on 15th November 2000, with the objective to uplift the tribal and original inhabitants of the region. Despite decades of establishment, the state still has 40% of its population living below poverty line. Although Jharkhand is rich in minerals, the people of rural Jharkhand are living in very bad conditions.

In this scenario, the next question follows: How to improve their economy and social condition? Special vulnerable groups and financial inclusion give the ray of hope. Thus, my research work aims to find out how the poor people and the least beneficiaries of society can be integrated with the society.

1.Establishment and Objectives of Jharkhand: Jharkhand became a state in India on November 15th ,2000, with the goal of uplifting the tribal and Indigenous inhabitants.

2.Current Issues in Jharkhand:

Despite being rich in minerals, about 40% of the population lives below the poverty line.

Rural Jharkhand faces significant hardships, including poor living conditions.

3. Research Focus:

The research aims to find ways to improve the economic and social conditions of vulnerable groups, especially tribal communities.

It emphasizes financial inclusion as a key strategy for integrating marginalized people into mainstream society.

Additional Details About Jharkhand:

1. Geography and Resources:

Jharkhand is located in Eastern India and is known for its rich mineral resources, including coal, iron ore, copper, mica, bauxite, and uranium. The state has a significant amount of forest cover, which contributes to its biodiversity.

2. Demographics:

- Jharkhand has a large tribal population, including groups such as Santhal, Munda, Ho, Oraon, and others.

The state also has a mix of other communities contributing to its diverse cultural heritage.

3. Economic Challenges:

Despite its mineral wealth, Jharkhand struggles with economic development. Many rural areas lack basic infrastructure such as roads, healthcare facilities, and schools.

Unemployment and underemployment are significant issues, particularly among the youth and tribal populations.

4. Social Issues:

There are high levels of illiteracy, malnutrition, and health problems in rural areas. Tribal communities often face social exclusion and discrimination.

5. Government Initiatives:

Various government schemes aim to improve living conditions, such as MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act), which provides job opportunities in rural areas.

Efforts are being made to improve education and healthcare services through targeted programs.

6. NGO and Community Efforts:

Numerous non-governmental organizations (NGOs) are working to empower local communities through education, vocational training, and healthcare services. Community-based approaches are being promoted to ensure sustainable development and social inclusion.

By addressing these aspects, my research can provide comprehensive insights into the challenges and potential solutions for uplifting the socio-economic status of Jharkhand's marginalized populations.

The study of financial inclusion is highly important for the society because consequences of financial exclusion may be quite harmful. India has sufficient schemes rules, and directives

aimed at expanding banking coverage and ensuring service to the unbanked population particularly social groups. There is no end of schemes, plans, and regulations aimed at providing financial services and products to the poor people. In the present days, financial services are expanded to broad area. The improvement in financial inclusion made the financial services to reach the rural area. In rural area due to illiterate people in the rural area the use of financial services has not used effectively. The rural development will happen, if the people are well educated in the rural area. Financial services are services provided by intermediaries. Financial intermediaries are the persons, who are academically strong, trained and established by Law. The scope of financial services has been crossing the limits and spreading throughout the area of another subject. As per change in development of world, India is also giving tough competition. For this reason, the Government of India is taking necessary measures to improve standard of services. This made government to provide financial services to rural population specially the banking services.

1. The study helps to know the availability of financial inclusion policies in the rural area.
2. It provides information about rural population those are receiving financial inclusion policies.
3. In the study we get details about types of services and expectations of rural population towards the services.
4. The study emphasises, about financial inclusion schemes, especially the banking services in rural area.
5. The study provides information about financial inclusion schemes, its availability and present condition about the schemes. Thus, the study provides important details regarding the financial services in rural population and it mainly focus on banking services. As the banking system plays crucial role in the development of Indian economy.

Ranchi District at a Glance

Ranchi is a district in the Jharkhand State of India. Total area of Ranchi is 5,097 km^2 including 4,816.02 km^2 rural area and 280.98 km^2 urban area. As per 2011 stats, Ranchi has a population of 29,14,253 peoples, out of which urban population is 12,57,335 while rural population is 16,56,918. The district has a population density of 571.8 inhabitants per square kilometre. There are about 5,69,444 houses in the district, including 2,43,209 urban houses and 3,26,235 rural houses. When it comes to villages, there are about 1,296 villages in Ranchi district.

The Ranchi district is further divided in to Subdivisions / Blocks / PS / Community Development Blocks (C.D. Blocks) for administrative purposes. In India, the Block or C.D.

Block is often the next level of administrative division after the tehsil. It is important to note that, In some states of India C.D. Blocks are equal to tehsils.

The C.D. Block is a rural area earmarked for administration and development in India. The area is administered by a BDO (Block Development Officer). A C.D. Block covers several gram panchayats, local administrative unit at the village level.

Tamar I is the largest subdivision in Ranchi district by area while Kanke is the largest subdivision by population. There are 18 subdivisions in Ranchi district. Here is the list of all Ranchi Subdivisions / Blocks / C.D. Blocks along with area & population information.

List of CD Blocks / Subdivisions in Ranchi District

S.N	Subdivision blocks	Total Villages	Population [2011]
1	Angara	83	1,12,759
2	Bero	84	1,13,090
3	Bundu	89	82,975
4	Burmu	77	89,889
5	chanho	67	1,07,503
6	Itki	30	50,058
7	Kanke	106	13,17,499
8	Khelari	18	78,219
9	Lapung	79	63,053
10	Mandar	69	1,28,585
11	Nagri	46	76,442
12	Namkum	100	1,45,841
13	Ormanjhi	91	94,137
14	Rahe	59	53,916
15	Ratu	38	76,565
16	Silli	97	1,13,798
17	Sonahatu	64	77,252
18	Tomar	129	1,32,672

Figure 2 sources: [https://censusindia.gov.in]2011

Ranchi, the capital city of Jharkhand, plays a crucial role in fostering financial inclusion and promoting inclusive growth in its rural areas. The city has been actively involved in various initiatives aimed at expanding financial services to underserved communities, thereby contributing to economic development and empowerment. Key efforts include improving access to banking services, promoting microfinance, and supporting entrepreneurship through

skill development programs. These initiatives not only enhance financial literacy but also create opportunities for sustainable development and poverty alleviation in rural Ranchi.

Financial Inclusion Initiatives in Ranchi

1. Banking Infrastructure Expansion:

- Ranchi has seen significant efforts in expanding banking infrastructure in rural areas. This includes setting up new bank branches, mobile banking units, and establishing banking correspondents (BCs) to reach remote communities.

2. Promotion of Microfinance:

- Microfinance institutions (MFIs) have played a crucial role in providing financial services to small farmers, artisans, and women entrepreneurs who lack access to traditional banking services. Ranchi has supported the growth of MFIs through regulatory frameworks and capacity building.

3. Digital Financial Services:

- The adoption of digital financial services has been pivotal in improving access to financial services in rural Ranchi. Initiatives such as Aadhaar- enabled payment systems (AEPS), mobile wallets, and UPI (Unified Payments Interface) have facilitated easier and more convenient transactions for rural residents.

4. Financial Literacy Programs:

- To enhance financial literacy among rural populations, Ranchi has implemented various programs. These include workshops, training sessions, and educational campaigns aimed at promoting understanding of banking products, savings, and credit management.

Inclusive Growth Strategies

1. Skill Development Initiatives:

- Skill development programs have been instrumental in fostering inclusive growth by enhancing the employability of rural youth. Ranchi has focused on training in sectors such as agriculture, handicrafts, and small-scale industries to create sustainable livelihood opportunities.

2. Entrepreneurship Support:

- Promoting entrepreneurship among rural communities has been a priority. Ranchi has facilitated access to credit, technology, and market linkages for rural entrepreneurs to start and expand their businesses.

3. Infrastructure Development:

- Improving rural infrastructure, including roads, electrification, and irrigation facilities, has been crucial for enhancing productivity in agriculture and promoting overall economic development.

4. Social Security Schemes:

- Implementing social security schemes such as insurance coverage for farmers, pension schemes for elderly and disabled individuals and health insurance programs has provided a safety net for rural households, thereby supporting inclusive growth.

OBJECTIVES OF THE RESEARCH STUDY

1. To assess the status of financial inclusion in Ranchi rural areas.
2. To determine the availability of financial inclusion schemes to rural population in Ranchi district.
3. To identify the issues and challenges for financial inclusion in Ranchi district.
4. To determine the issues which are encountered in receiving financial services, especially the banking schemes adopted to improve financial inclusion in Ranchi district.
5. To analyse the factors influencing Ranchi rural customers towards banking services.
6. To know the satisfaction of the Ranchi rural customer regarding financial services in banking activities.
7. To determine different aspects of empowerment of women through financial inclusion in Ranchi district.
8. To review the government policy measures for the financial inclusion.
9. To identify barriers to financial inclusion in Ranchi rural areas.
10. To propose strategies to enhance financial inclusion and promote inclusive growth in rural areas of Ranchi.

Research questions:

1. How do socio – culture factors in Ranchi district influence rural people engagement with financial inclusion programs?

2. What are the exiting barriers and challenges faced by rural people in Ranchi district in accessing and utilizing financial services?

3. What are the specific financial needs priorities of rural women in Ranchi, and how can tailored financial product address these needs?

4. What role do community – based initiatives play in fostering financial literacy and inclusion among rural people in Ranchi?

5. How does enhanced financial inclusion impact the inclusive economic growth of rural communities in Ranchi, considering factors such as access to credit, savings mobilization, and entrepreneurship?

6. What are the barriers to achieving comprehensive financial inclusion in rural Ranchi, and how do these barriers affect the overall inclusive growth of the region?

7. What role do digital financial services play in enhancing financial inclusion and promoting inclusive growth in rural Ranchi?

HYPOTHESIS OF THE RESEARCH STUDY

The following were Research Hypothesis formulated for testing the study:

1.$H0_1$: There is no significant difference between educational qualification of rural population and preference of financial services specially banking services.

$H1_1$: There is a significant difference between qualification of rural population and preference of financial services specially banking services.

2. $H0_2$:Initiatives taken by government of India in planning financial inclusions are not significant.

$H1_2$: Initiatives taken by government of India in planning financial Inclusion are Significant.

3.**$H0_3$**:Financial inclusion movement does not lead to major change in the status of rural Areas of Ranchi district.

$H1_3$: Financial inclusion movement leads to major change in status of rural area of Ranchi district.

RESEARCH METHODOLOGY

1.Literature Review:

Purpose: To understand the existing theories framework and studies related to financial inclusion and inclusive growth of Ranchi Rural areas.

Sources: Academic journals, conference proceeding, and reputable online database.

2. Case study :

Purpose: To assess the level of financial inclusion and Inclusive growth of rural areas and how financial literacy promote financial inclusion.

Sources: SLBC, Banking Report, Reputable online database, http/pmj.gov.in, http//www.India.gov .in Newspaper, Research and journals.

3.Survey and Interview:

Purpose: To gather information and prospective from Ranchi district about the status of financial inclusion of rural people can be achieved through financial literacy.

Sources: Primary data will be collected I will use the method of a field survey by means of visits and interviews for the purpose of collecting primary data.

Prepare structure questionnaires for different categories of Respondents.

1) Questionnaire ‘A’ : Respondents

2) Questionnaire ‘B’ : Employees of the bank

Collection of Data:

Primary data: Primary data are obtained by a study specifically designed to fulfil the data the data needs of the problem at hand. Such data are original in character and are generated in large number of surveys conducted mostly by government and also by some individuals and research bodies.

In this study primary data collected is in the form of well-structured questionnaire, schedules and interviews which was filled by the rural population of 10 different villages.

a. Questionnaire

b. Schedules

c. Interview

Secondary data: Data which are not originally collected but rather obtained from published or unpublished. It constitutes the chief material on the basis of which statistical work is carried out in many investigations.

In fact, before collecting primary data it is desirable that one should go through the existing literature and learn what is already known of the general area in which the specific problem falls and all surrounding information that may give us leads and lessons.

In this study Secondary data is collected from various sources like reference books, textbooks, journals, peer reviewed journals, articles, books, reports and from official sites related to banks.

Sampling Technique: Convenience sampling be used to select Respondents from Ranchi District.

Statistical Techniques:

In the study various statistical tools such as collection, classification, tabulation, graphic presentation, and statistical methods and techniques such as percentage, Measures of central tendency (arithmetic mean), measures of dispersion (Standard deviation), correlation analysis etc. are used to analyse the data. In the study to draw the inferences and for testing the significance level Chi-square test is applied.

Sample Size : An important decision that has to be taken in adopting a sampling design, it is about the size of the sample. Size of the sample means numbers of sampling units selected from the population for investigation.

In this study the sample size of "400" that will consists 300 villagers and 100 employees of the bank from selected blocks such as Namkum ,Nagri ,Kanke ,Mandar, Bero and Lapung of Ranchi District.

For the purpose of the study, I will collect data from 400 respondents of Ranchi district which constitutes mostly ST, SC and OBC who belongs to poor and marginalised class.

LIMITATION OF THE RESEARCH STUDY

1. The study is confined to the rural areas of Ranchi district, which may not represent the financial inclusion status of other districts in Jharkhand.

2. The availability and accessibility of financial inclusion schemes might differ across various regions, impacting the generalizability of the findings.

3. Challenges and issues identified in Ranchi district may not apply universally to other rural areas with different socio-economic contexts.

4. Factors influencing rural customers' preferences towards banking services might vary over time due to changes in government policies or economic conditions.

5. Satisfaction levels regarding financial services are subjective and may be influenced by individual experiences and expectations.

6. The empowerment of women through financial inclusion could be affected by cultural and societal norms that vary across different regions.

7. The review of government policy measures for financial inclusion may not cover all relevant aspects or the latest developments in the policy landscape.

Financial inclusion refers to the accessibility of financial services and products to individuals and businesses, particularly those in disadvantaged or underserved communities. Inclusive growth, on the other hand, focuses on economic development that benefits all segments of society, ensuring that the benefits of increased prosperity are shared more equitably.

In the context of Ranchi's rural areas, there are specific limitations and challenges related to achieving both financial inclusion and inclusive growth:

1. Infrastructure Challenges: Many rural areas lack adequate physical infrastructure such as roads and internet connectivity, which are essential for financial service delivery and economic activities.

2. Low Financial Literacy: There may be limited awareness and understanding of financial products and services among rural populations, hindering their ability to effectively use available financial resources.

3. Limited Access to Banking Services: Rural areas often have fewer bank branches and ATMs compared to urban areas, making it difficult for residents to access basic banking services like savings accounts, loans, and insurance.

4. Informal Economy Dominance: A significant portion of economic activity in rural areas may be informal, which can exclude people from formal financial systems and services.

5. Risk Aversion: Both financial institutions and rural residents may exhibit risk aversion, limiting the availability and uptake of financial products that could stimulate economic growth.

Tentative Chapterisation

The proposed research work shall comprise of the following chapters: -

1. Introduction and Review of literature
2. Financial Inclusion – A brief Historical concept
3. Financial Inclusion and Inclusive growth in Jharkhand and Ranchi district – A bird eye view.
4. Financial Inclusion and Inclusive growth in Ranchi District.
5. Data Analysis and Hypothesis testing
6. Summary, Findings and suggestion

Signature of Supervisor

Signature of Research Scholar

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